

RESALE POWER GROUP OF IOWA

INDEPENDENT AUDITOR'S REPORTS
FINANCIAL STATEMENTS
SCHEDULE OF FINDINGS AND RESPONSES

YEARS ENDED FEBRUARY 28, 2021 AND FEBRUARY 29, 2020

RESALE POWER GROUP OF IOWA

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RESALE POWER GROUP OF IOWA
Board of Directors
February 28, 2021

Board Members

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Randy Neff (Vice President)

Brandon Craighton (Secretary/Treasurer)

Russell Eimers

Jeff Robinson

Jeff Ishmael

Tim Heisdorffer

Kris Stubbs (Chief Administrative Officer)

Representing

Traer Municipal Utilities

Mount Pleasant Municipal Utilities

Ogden Municipal Utilities

Amana Society Service Company

State Center Municipal Utilities

Story City Municipal Electric Utility

Farmers Electric Cooperative

Resale Power Group of Iowa

Gronewold, Bell, Kyhnn & Co. P.C.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Resale Power Group of Iowa

Report on the Financial Statements

We have audited the accompanying financial statements of Resale Power Group of Iowa (a political subdivision of the State of Iowa) which comprise the statement of net position as of February 28, 2021 and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended and the related notes to financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America. This includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

To the Board of Directors
Resale Power Group of Iowa

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Resale Power Group of Iowa as of February 28, 2021 and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

The Organization has omitted the Management's Discussion and Analysis (MD&A) that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Predecessor Auditors

The financial statements of Resale Power Group of Iowa as of February 29, 2020, and for the year then ended were audited by other auditors whose report dated June 13, 2020, expressed an unmodified opinion on those financial statements.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 10, 2021 on our consideration of Resale Power Group of Iowa's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Resale Power Group of Iowa's internal control over financial reporting and compliance.

Conrad A. Bell, Fohn & Co. P.C.

Atlantic, Iowa
June 10, 2021

RESALE POWER GROUP OF IOWA
Statements of Net Position
February 28, 2021 and February 29, 2020

ASSETS

	<u>2021</u>	<u>2020</u>
Current Assets:		
Cash:		
Operations	\$ 5,329,043	\$ 5,903,947
MISO collateral reserve	634	634
Total cash	<u>5,329,677</u>	<u>5,904,581</u>
Accounts receivable	6,350,723	2,138,981
Collateral deposit - MISO	1,891,850	1,891,850
Collateral deposit - SPP	19,693	19,644
Prepaid expenses	2,160	--
Total current assets	<u>13,594,103</u>	<u>9,955,056</u>
Capital assets, net of accumulated depreciation	<u>1,707</u>	<u>2,561</u>
Total assets	<u>\$ 13,595,810</u>	<u>\$ 9,957,617</u>

LIABILITIES AND NET POSITION

Current Liabilities:		
Accounts payable, trade	\$ 6,475,937	\$ 2,553,437
Accrued distributions to members	190,720	474,054
Accrued payroll and related liabilities	15,227	15,437
Total liabilities	<u>6,681,884</u>	<u>3,042,928</u>
Net Position:		
Net investment in capital assets	1,707	2,561
Unrestricted	6,912,219	6,912,128
Total net position	<u>6,913,926</u>	<u>6,914,689</u>
Total liabilities and net position	<u>\$ 13,595,810</u>	<u>\$ 9,957,617</u>

The accompanying notes are an integral part of these statements.

RESALE POWER GROUP OF IOWA
Statements of Revenues, Expenses and Changes in Net Position
For the Years Ended February 28, 2021 and February 29, 2020

	<u>2021</u>	<u>2020</u>
Operating Revenue:		
Wholesale energy revenue	\$ 34,711,640	\$ 34,033,800
Total operating revenue	34,711,640	34,033,800
Operating Expenses:		
Wholesale energy costs	33,992,946	33,099,489
Consultant expense	215,175	231,316
Legal expense	96,606	111,745
Operating labor and benefits	96,233	93,797
Other operating expenses	126,029	133,922
Provision for depreciation	854	854
Total operating expenses	<u>34,527,843</u>	<u>33,671,123</u>
Income from Operations	183,797	362,677
Other Income:		
Interest and dividend income	6,160	110,902
Miscellaneous income	--	100
Total other income	<u>6,160</u>	<u>111,002</u>
Net Income	189,957	473,679
Net Position, Beginning of Year	6,914,689	6,915,064
Member Distributions	<u>(190,720)</u>	<u>(474,054)</u>
Net Position, End of Year	<u>\$ 6,913,926</u>	<u>\$ 6,914,689</u>

The accompanying notes are an integral part of these statements.

RESALE POWER GROUP OF IOWA
Statements of Cash Flows
For the Years Ended February 28, 2021 and February 29, 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Cash received from wholesale energy sales	\$ 30,499,898	\$ 34,109,012
Cash paid to suppliers	(30,519,756)	(33,672,482)
Cash paid to employee	(87,103)	(87,928)
Net cash provided by (used in) operating activities	(106,961)	348,602
Cash flows from noncapital financing activities:		
Member distributions	(474,054)	(449,653)
Cash flows from investing activities:		
Cash received for other	--	100
Increase in SPP collateral deposit	(49)	(465)
Income from investments	6,160	110,902
Net cash provided by investing activities	6,111	110,537
Net increase (decrease) in cash	(574,904)	9,486
Cash, beginning of year	5,904,581	5,895,095
Cash, end of year	<u>\$ 5,329,677</u>	<u>\$ 5,904,581</u>

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RESALE POWER GROUP OF IOWA
Statements of Cash Flows - Continued
For the Years Ended February 28, 2021 and February 29, 2020

	<u>2021</u>	<u>2020</u>
Reconciliation of income from operations to net cash provided by (used in) operating activities:		
Income from operations	\$ 183,797	\$ 362,677
Adjustments to reconcile income from operations to net cash provided by (used in) operating activities:		
Depreciation	854	854
Change in assets and liabilities:		
Accounts receivable	(4,211,742)	75,212
Prepaid expenses	(2,160)	--
Accounts payable, trade	3,922,500	(90,895)
Accrued payroll and related liabilities	(210)	754
Total adjustments	<u>(290,758)</u>	<u>(14,075)</u>
Net cash provided by (used in) operating activities	<u>\$ (106,961)</u>	<u>\$ 348,602</u>

The accompanying notes are an integral part of these statements.

RESALE POWER GROUP OF IOWA
Notes to Financial Statements
February 28, 2021 and February 29, 2020

NOTE A - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES

1. Reporting Entity

The Resale Power Group of Iowa (RPGI) was organized in 1986 as a political subdivision of the State of Iowa organized pursuant to Chapter 28E of the Code of Iowa. Pursuant to Revenue Ruling 77-261, 1977-2 CB 45 and as a political subdivision, it is exempt from income taxes. RPGI's By-laws state "The objective of the RPGI is to render services to members relative to the purchase, generation, transmission, distribution, and measurement information of electric power, ownership and operation of electric generation capacity and related transmission, safety and technical training and rates and information technology." Resale Power Group of Iowa is governed by a seven person Board of Directors. RPGI members are either public or private agencies who are bound by the terms of the 28E agreement filed with the Iowa Secretary of State.

For financial reporting purposes, RPGI has included all funds, organizations, agencies, boards, commissions and authorities. RPGI has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with RPGI are such that exclusion would cause RPGI's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of RPGI to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on RPGI. RPGI has no component units which meet the Governmental Accounting Standard Boards criteria.

2. Measurement Focus and Basis of Accounting

Measurement focus refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accompanying basic financial statements have been prepared on the accrual basis of accounting in conformity with U.S. generally accepted accounting principles, following the Uniform System of Accounting prescribed by the Federal Energy Regulatory Commission. Revenues are recognized when earned and expenses are recorded when the liability is incurred.

Resale Power Group of Iowa's financial statements are reported as a proprietary fund, which distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Organization result from the transmission of wholesale electric energy to members of the Organization. Operating expenses for the Organization include wholesale energy costs and administrative expense.

RESALE POWER GROUP OF IOWA
Notes to Financial Statements
February 28, 2021 and February 29, 2020

NOTE A - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES - Continued

3. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

4. Accounts Receivable and Revenue Recognition

Revenues from reselling purchased electric power are recorded as revenue when earned or assessed.

Accounts receivable represents amounts that are due and payable from members but have not been collected at year end. Management of the Organization believes the receivables will be realized without material collection losses; therefore, no allowance for uncollectible accounts exists.

5. Investments

Investments are carried at fair value except for investments in debt securities with maturities of less than one year at the time of purchase. These investments are stated at amortized cost, which approximates fair value. Securities traded on a national or international exchange are valued at the reported sales price and current exchange rates at year end. Interest, dividends, and gains and losses, both realized and unrealized, on investments are included in other income when earned.

6. Cash Equivalents

Cash and cash equivalents for the purpose of reporting cash flows, consists of cash in operating bank accounts, and cash invested in Iowa Public Agency Investment Trust (IPAIT).

7. Property and Equipment

Property and equipment are recorded at cost, and depreciation is provided using the straight-line method over the estimated useful lives of the assets. Major acquisitions and improvements are capitalized. Expenditures for maintenance, repairs and acquisitions of minor items are charged to earnings as incurred. Upon disposition, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reported in operations for the period.

RESALE POWER GROUP OF IOWA
Notes to Financial Statements
February 28, 2021 and February 29, 2020

NOTE A - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES - Continued

8. Net Position

Net position is reported in the following categories:

Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances for bonds, notes and other debt attributable to the acquisition, construction or improvement of those assets.

Restricted net position:

- a. *Nonexpendable* - Nonexpendable net position is subject to externally imposed stipulations which require them to be maintained permanently by RPGI.
- b. *Expendable* - Expendable net position results when constraints placed on net position use are either externally imposed or are imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position consists of net position not meeting the definition of the preceding categories. Unrestricted net position is often subject to constraints imposed by management which can be removed or modified.

When both restricted and unrestricted net position is available for use, generally it is RPGI's policy to use restricted net position first.

NOTE B - DEPOSITS AND INVESTMENTS

The Organization's deposits and investments are as follows:

	February 28, 2021	February 29, 2020
Unrestricted Funds:		
IPAIT - cash equivalents	\$ 5,329,677	\$ 5,904,581
Total deposits and investments	\$ 5,329,677	\$ 5,904,581

The Organization's deposits at February 28, 2021 and February 29, 2020 were entirely covered by federal depository insurance or the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to ensure there will be no loss of public funds. Investments are stated as indicated in Note A.

RESALE POWER GROUP OF IOWA
Notes to Financial Statements
February 28, 2021 and February 29, 2020

NOTE B - DEPOSITS AND INVESTMENTS - Continued

The Organization is authorized by statute to invest public funds in obligations of the United States Government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Board of Directors; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

The Organization has investments in the Iowa Public Agency Investment Trust (IPAIT) which are valued at an amortized cost of \$5,329,677 (\$5,904,581 in 2020) pursuant to Rule 2a-7 under the Investment Company Act of 1940. There were no limitations or restrictions on withdrawals for the IPAIT investments. The Organization's investment in IPAIT is unrated.

The Organization had no other investments meeting the disclosure requirements of Governmental Accounting Standards Board Statement No. 72.

Interest rate risk - The Organization's investment policy limits the investment of funds to IPAIT or short term deposits in banks located in the State of Iowa. The maturities shall be consistent with the needs and use of the Organization.

Credit risk - The Organization's investment in the Iowa Public Agency Investment Trust is unrated.

NOTE C - COLLATERAL DEPOSIT

RPGI, as authorized agent for and on behalf of its participant members, entered into an unsecured pro rata guaranty with the Midcontinent Independent System Operator (MISO) to provide transmission, ancillary and related services. The maximum financial obligation of this instrument was initially set at \$1,000,000. In the event that RPGI's maximum financial obligation exceeds \$1,000,000, RPGI is required to place additional financial assurances with MISO in an amount equal to or greater than this additional credit exposure. Additional financial assurances may take the form of cash deposits or irrevocable standby letter of credit. As of February 28, 2021, RPGI's cash deposit with MISO was \$1,891,850 and was unchanged from the prior year.

Additionally, in order to procure long-term Network Integrated Transmission Service for RPGI's expanded load in the Southwest Power Pool (SPP), Regional Transmission Organization (RTO), RPGI participated in SPP's 2016 Aggregate Transmission Service Study. Transmission customers whose requests for service were approved through this study process were required to provide SPP with financial assurances sufficient to cover obligations related to specific transmission upgrade projects. Financial assurances were to be made by cash deposits or letter of credit. As of February 28, 2021 and February 29, 2020, RPGI's cash deposit with SPP was \$19,693 and \$19,644, respectively.

RESALE POWER GROUP OF IOWA
Notes to Financial Statements
February 28, 2021 and February 29, 2020

NOTE D - CAPITAL ASSETS, NET

Details of changes in the capital asset costs by category and depreciation reported for the year ended February 28, 2021 and February 29, 2020 are as follows:

	<u>Beginning of Year</u>	<u>Additions</u>	<u>Disposals</u>	<u>End of Year</u>
February 28, 2021:				
Office furniture and equipment cost	\$ 16,372	\$ --	\$ --	\$ 16,372
Less accumulated depreciation	<u>13,811</u>	<u>854</u>	<u>--</u>	<u>14,665</u>
Property and equipment, net	<u>\$ 2,561</u>	<u>\$(854)</u>	<u>\$ --</u>	<u>\$ 1,707</u>
February 29, 2020:				
Office furniture and equipment cost	\$ 16,372	\$ --	\$ --	\$ 16,372
Less accumulated depreciation	<u>12,957</u>	<u>854</u>	<u>--</u>	<u>13,811</u>
Property and equipment, net	<u>\$ 3,415</u>	<u>\$(854)</u>	<u>\$ --</u>	<u>\$ 2,561</u>

NOTE E - SERVICE AGREEMENT

RPGI has an agreement to purchase energy from Nextera Energy Marketing, LLC at wholesale rates and on a levelized basis to RPGI. The revised agreement runs through December 31, 2024. RPGI has agreed to purchase certain minimum megawatt-hours of energy from Nextera Energy. In turn, RPGI has service agreements with its participating members to utilize the electric energy purchased from Nextera Energy.

NOTE F - OPERATING RESERVES CAP POLICY

During 2015, RPGI adopted a policy limiting its operating reserves. The operating reserves were capped at \$5 million. At the end of each fiscal year, the RPGI Board of Directors determines if a distribution under this policy is to be declared. Distributions are made in accordance with this policy. Distributions of \$190,720 and \$474,054 respectively, were accrued to qualifying members for the years ending February 28, 2021 and February 29, 2020.

RESALE POWER GROUP OF IOWA
Notes to Financial Statements
February 28, 2021 and February 29, 2020

NOTE G - CONTINGENCIES

Risk Management

Resale Power Group of Iowa is exposed to risks of liability claims related to business risks of loss. These risks are covered to the extent practical by the purchase of commercial insurance. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Subsequent Event

The Organization has evaluated all subsequent events through June 10, 2021, the date the financial statements were available to be issued.

NOTE H - RECLASSIFICATIONS

Certain amounts or presentations of prior year figures may have been reclassified to conform to the February 28, 2021 presentation. Ending net position remained unchanged as a result of any reclassification.

* * *

COMMENTS AND RECOMMENDATIONS

Gronewold, Bell, Kyhnn & Co. P.C.

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Independent Auditor's Report on Internal Control over Financial Reporting
and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in Accordance with
Government Auditing Standards

To the Board of Directors
Resale Power Group of Iowa

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of Resale Power Group of Iowa, as of and for the year ended February 28, 2021, and the related notes to financial statements, and have issued our report thereon dated June 10, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Resale Power Group of Iowa's internal control over financial reporting to determine the audit procedures appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Resale Power Group of Iowa's internal control. Accordingly, we do not express an opinion on the effectiveness of Resale Power Group of Iowa's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility a material misstatement of the Organization's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control which is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses that we consider to be a significant deficiency: 21-I-A.

To the Board of Directors
Resale Power Group of Iowa

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Resale Power Group of Iowa's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under Government Auditing Standards. However, we noted an immaterial instance of non-compliance which is described in Part II of the accompanying Schedule of Findings and Responses.

Comments involving statutory and other legal matters about the Organization's operations for the year ended February 28, 2021 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the Organization. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

Responses to Findings

Resale Power Group of Iowa's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Responses. Resale Power Group of Iowa's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Gunnwald, Beer, Johnson & Co. P.C.

Atlantic, Iowa
June 10, 2021

RESALE POWER GROUP OF IOWA
Schedule of Findings and Responses
Year Ended February 28, 2021

PART I - INTERNAL CONTROL DEFICIENCIES

21-I-A Segregation of Duties:

Criteria: Management is responsible for establishing and maintaining internal control. A good system of internal control provides for adequate segregation of duties so no one individual handles a transaction from its inception to completion. In order to maintain proper internal control, duties should be segregated so the authorization, custody and recording of transactions are not under the control of the same individual. This segregation of duties helps prevent losses from error or dishonesty and maximizes the accuracy of the Organization's financial statements.

Condition: A limited number of people have the primary responsibility for most of the accounting and financial reporting duties.

Cause: The Organization has a limited number of individuals available which does not allow procedures to be established to adequately segregate duties or provide compensating controls through additional oversight of transactions and processes.

Effect: Inadequate segregation of duties could adversely affect the Organization's ability to prevent or detect and correct misstatements, errors or misappropriation on a timely basis by individuals in the normal course of performing their assigned functions.

Recommendation: We recognize that it may not be economically feasible for the Organization to contract additional personnel for the sole purpose of segregating duties, however, it is our professional responsibility to bring this control deficiency to your attention. We recommend that the Board be aware of the lack of segregation of duties and that they act as an oversight group to the contracted accounting personnel.

Response: The Board is aware of this lack of segregation of duties, but it is not economically feasible for the Organization to contract additional personnel for this reason. The Board will continue to act as an oversight group.

Conclusion: Response accepted.

* * *

RESALE POWER GROUP OF IOWA
Schedule of Findings and Responses
Year Ended February 28, 2021

PART II - OTHER FINDINGS RELATED TO REQUIRED STATUTORY REPORTING:

- 21-II-A Questionable Expenditures: No expenditures were noted that did not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979.
- 21-II-B Travel Expense: No expenditures of Organization money for travel expenses of spouses of Organization officials were noted.
- 21-II-C Business Transactions: No business transactions between the Organization and Organization officials were noted.
- 21-II-D Restricted Donor Activity: No transactions were noted between the Organization, Organization officials, Organization employee and restricted donors in compliance with Chapter 68B of the Code of Iowa.
- 21-II-E Bond Coverage: Surety bond coverage of Organization officials is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure that the coverage is adequate for current operations.
- 21-II-F Board Minutes: No transactions were found that we believe should have been approved in the Board minutes but were not.
- 21-II-G Deposits and Investments: The Organization has not adopted a written depository resolution as required by Chapter 12C.2 of the Code of Iowa.

Recommendation: The Organization should adopt a written depository resolution which complies with the provisions of Chapter 12C.2 of the Code of Iowa.

Response: We will adopt a depository resolution as required.

Conclusion: Response accepted.

* * *